

This record is a partial extract of the original cable. The full text of the original cable is not available.

270506Z Jun 05

UNCLAS SECTION 01 OF 07 COLOMBO 001119

SIPDIS

STATE ALSO PASS TO USAID
USAID/W FOR A/AID ANDREW NATSIOS, JBRAUSE
DCHA/OFDA KISAACS, GGOTTLIEB, MMARX, RTHAYER, BDEEMER
AID/W FOR DCHA/OFDA
DCHA/FFP FOR LAUREN LANDIS
DCHA DEPUTY ASSISTANT ADMINISTRATOR WILLIAM GARVELINK
ANE DEPUTY ASSISTANT ADMINISTRATOR MARK WARD
BANGKOK FOR OFDA SENIOR REGIONAL ADVISOR TOM DOLAN
KATHMANDU FOR OFDA REGIONAL ADVISOR WILLIAM BERGER
GENEVA FOR USAID KYLOH
ROME PASS FODAG
NSC FOR MELINE
CDR USPACOM FOR J3/J4/POLAD
USEU PASS USEC

E.O. 12958: N/A

TAGS: [EAID](#) [AEMR](#) [PREL](#) [PGOV](#) [CE](#)

SUBJECT: SRI LANKA - EARTHQUAKE AND TSUNAMIS: USAID/DART
SITREP #26 - Assessment of OFDA Funded Programs in Southern Districts

Summary

1. The USAID/Office of U.S. Foreign Disaster Assistance (OFDA) Program Officer, USAID/Colombo Humanitarian Assistance Program Manager (HAPM) and USAID/Colombo Development Outreach and Communications Officer (DOC) traveled to Galle and Matara districts from June 13 through 15 to monitor USAID/OFDA-funded programs and review the progress of tsunami recovery efforts. During the visit, USAID staff met with representatives from Sarvodaya, Christian Children's Fund (CCF), GOAL, the International Organization for Migration (IOM), Community Habitat and Finance (CHF) and the Arthacharya Foundation. USAID/OFDA cash for work initiatives and micro-credit programs are reaching households in tsunami-affected areas and appear to be having a positive impact while shelter programs are making steady progress on the construction of transitional shelters on the southern coast. Partners operating on the southern coast are well into their respective programs and are on track to meeting all program objectives by the end of September. End summary.

----- Sarvodaya - Galle - Water/Sanitation and Cash for Work -----

2. USAID/OFDA provided \$1.7 million to Sarvodaya to implement a water and sanitation program in Galle, Hambantota and Ampara. The USAID team visited a site in Paraliya village, Hikkaduwa division, Galle District where Sarvodaya is constructing new latrines and rehabilitating old latrines. Note: Paraliya village is the site of the now infamous tsunami train wreck that killed over 1,000 people.

3. Hikkaduwa was the hardest hit division in Galle district. To date in Galle district alone Sarvodaya has built a total of 419 out of a planned 617 latrines, has repaired 20 out of a planned 122 wells and has repaired 39 out of a planned 49 latrines. To date a total of 2,000 beneficiaries in Galle district have benefited from this program out of a planned total of 2,965.

4. Sarvodaya experienced delays in getting their program started due to rainy conditions and the increasing prices for sand. With several water and sanitation programs being implemented throughout the country, the cost of sand has increased considerably, in some areas almost doubling in price. As a result Sarvodaya has had to slightly reduce unskilled labor wages in order to compensate for the increase in sand prices. Sarvodaya is presently on track to complete their program by 15 September. Note: The USAID team noticed several permanent shelters being constructed in Paraliya. Beneficiaries we talked to say their permanent shelters were provided by the Janatha Vimukthi Peramuna (JVP and/or People's Liberation Front). The USAID team inquired as to what the process is for residents to qualify for a permanent shelter from the JVP since it was clear not everyone in the community was being assisted. The team was told that community members provided district representatives with the names of those most in need and those names were given to the JVP. As far as the USAID team could tell, there was no coherent process being followed by the JVP to select beneficiaries for permanent shelter assistance.

15. According to U.N. High Commissioner for Refugees (UNHCR) 3,289 of the 6,534 required temporary housing units in Galle have been completed as of June 2 with another 1,325 currently under construction. Although significant progress is being made in the construction of transitional shelters, UNHCR estimates that 20%-30% of shelters in the "completed" category are sub-standard or built on inappropriate sites. As a result many shelters that have already been constructed need to be "upgraded". The Transitional Accommodation Programme (TAP) is planning to assess transitional shelters across the island and will identify all sub-standard shelters requiring upgrading.

16. USAID/OFDA provided \$2.0 million to CHF for the construction of transitional shelters, repair of homes, construction of latrines and cash for work in Galle and Matara Districts. CHF has completed approximately 800 shelters in Galle and Matara Districts out of a total of 1,500 planned. The CHF representative noted that initially CHF planned to construct 3,000 transitional shelters; however, initial assessments conducted days after the tsunami over-estimated the number of those residents who lost their homes by almost 50 percent.

17. With the cost savings in their grant CHF is upgrading shelters in accordance with the transitional shelter strategy (TSS) developed by UNHCR and adopted by the GOSL. The TSS is based, in part on UN and Sphere Project guidelines for shelter sector activity. A Transitional Accommodation Programme (TAP) was then created by the GOSL to further guide shelter sector activities. At a minimum the GOSL has requested that all transitional shelters be about 200sq ft, provide security and privacy, thermal comfort and adequate living conditions to carry out normal household duties and re-establish livelihoods. In addition, adequate water and sanitation, garbage disposal, and basic electricity should be provided. CHF is upgrading their temporary shelters by adding kitchen verandas to their shelters and where family size exceeds 5, are doubling the size of the shelters. CHF is also adding plywood to the sides of its transitional shelters instead of just plastic sheeting.

18. In addition to providing transitional shelter CHF is implementing quick impact projects through two local partners - Arthacharya and Project Galle. Quick impact projects range from the construction of latrines, clearing existing drainage systems, digging new systems, road rehabilitation, and bridge repairs to the distribution of household goods such as lamps, kitchen utensils and chairs. In Galle, the USAID team visited a camp where Project Galle volunteers and CHF cash for work workers were building a drainage system to prevent flooding in the camp. Upgrades to shelters in this camp were planned through the addition of gutters. CHF local partners are also providing training to beneficiaries on solid waste management and compost making. Currently 50% of CHF's quick impact projects are for livelihoods support primarily through cash for work projects.

Arthacharya - Galle - Micro-Credit

19. Nathan Associates, Inc. received \$10 million from USAID/OFDA for post-tsunami recovery programs in Sri Lanka. One of the principal components of their program seeks to help tsunami-affected individuals and families regain livelihoods

SIPDIS

that were either lost or negatively-affected by the disaster. During the visit to the southern districts, USAID staff visited the Arthacharya Foundation, a local NGO that has partnered with Nathan Associates to provide micro-credits to tsunami-affected persons.

SIPDIS

10. To date Arthacharya has disbursed a total of 2 million RS in loans and grants to 50 families through its community based organizations (CBO). Loans have been used to start a number of small businesses such as sewing, coir weaving, wood carving, fishing, food stands, small boutiques, and painting. The loans range in value from 15,000 RS to 22,500 RS and are disbursed to recipients in two installments. The first installment is up to 7,500 RS and then based on the beneficiary's pay back history they can qualify for a second installment of up to 15,000 RS. Loans are currently being paid back by the beneficiaries with 4 percent interest.

11. As part of the vetting process, each beneficiary has to meet a set of conditions set by Arthacharya to ensure due diligence on the part of the beneficiary in managing and paying back their loans. Loan beneficiaries are monitored by Arthacharya on a regular basis to ensure they are adhering to

the criteria set forth. Criteria include things such as: beneficiaries must have 30 percent of loan value in reserve prior to receiving the loan; attend weekly and monthly meetings; should have no other outstanding loan debt; must make loan payments on time; and adhere to a mandatory composting and solid waste management requirement. The USAID team thought this was an interesting requirement and asked why this was necessary. Arthacharya informed the USAID team that they were trying to teach their beneficiaries respect for the environment which would hopefully translate into environmentally friendly businesses. Additionally, a side benefit of the mandatory composting is beneficiaries can sell the compost on the local market or to Arthacharya for a small profit.

12. The USAID team interviewed two families in the village of Mahamodara who received Arthacharya loans to help them in the fishing industry. Hansini, the mother in the first family explained that three of her husband's four boats, along with all but two of their nets, were destroyed in the tsunami. With a 30,000 RS (approximately 300 USD) loan, the family purchased two nets, doubling their earning power to a net of 2-3 USD a day after expenses such as paying the crew, depending on the catch. The small fish they trap in their nets fetches 2.5 USD per kilo. Once their loan is repaid, the family plans to purchase three more nets. One boat can use as many as 10 nets.

13. The second family the team met was Chandra and Indrani, husband-and-wife fish sellers. With a 20,000 RS (approximately 200 USD) loan, they purchased a new bicycle, scale, and knife to replace equipment lost in the tsunami. Chandra rises daily at 4 a.m. to purchase 25 kg. of fish off the boats. At 7:30 he sets off and pedals 12 km to make deliveries to regular customers. He had not worked since the tsunami without the bicycle, but today nets approximately 3 USD per day. His wish once the loan is repaid is to receive a consumer loan that would allow him to purchase a motorbike to access more customers. Indrani said her role in the partnership is to make sure they save enough money to meet the monthly loan payments.

14. The USAID team was impressed with the level of program monitoring Arthacharya had in place for its micro-credit loans. Monitoring appeared to be taking place at several levels with all levels feeding back to Arthacharya. Field monitors in each community conduct monitoring visits once a week, sometimes even conducting "surprise" visits to the beneficiary's place of business. Field monitors then report any problems and/or successes back to the board of directors for CBO. The CBO then reports to Arthacharya. It is the board of directors for each CBO who determines who qualifies for a loan and who does not. In addition to the field visits, monthly meetings are held between the beneficiaries and Arthacharya to discuss their programs. Meetings are also held between Arthacharya and the Committee for Loans and Recovery on the 15th and 30th of every month.

IOM - Matara - Transitional Shelter and Livelihoods
Restoration

15. USAID/OFDA provided \$500,000 towards IOM's international tsunami appeal for emergency relief supplies, psychological

SIPDIS
and social support, emergency shelter and livelihoods restoration. In Matara IOM has provided 352 transitional shelters and continues to provide emergency relief supplies on a small scale based on special needs and/or gaps. The USAID team visited a transitional shelter camp built by IOM that appeared to be below the TSS requirements. The IOM representative informed the USAID team that residents in this camp would be moved shortly to a transitional shelter camp, with larger shelters built on land provided by the government.

16. On June 14, the USAID team attended an IOM tool distribution for tsunami-affected carpenters in Matara District. The tool kits distributed by IOM included hand saws, an electric drill, drill bits, chisels, hammers, measuring tape, an angle grinder, a vise grip, as well as other items. Other small business tools being distributed that day included a bike, cooking supplies and shoe making supplies.

17. In Matara District, with USAID/OFDA support, IOM is also assisting women in six camps by providing two sewing machines per camp as well as cutting tables, materials, and thread. The USAID team attended a workshop where women were receiving training in small business management, marketing, and financial management of small businesses to help them more effectively market and sell their goods. Workshops are also held to assist women in upgrading their sewing skills. Sewers receive a manual machine, materials and skills and business management training. All beneficiaries attend an information training session when they receive equipment through IOM to

ensure that recipients understand that these goods are to benefit their families' incomes and should not be sold.

118. The USAID team visited one of the IOM beneficiaries, a seamstress, who had been provided a sewing machine and sewing materials through IOM. She showed the team several items she had made that were ready to be taken to market to be sold. Items she had made included mosquito nets, blankets, pillow covers and shoulder bags. Another IOM beneficiary visited by the USAID team was a shoemaker. He, his father and brother lost their shoe business through the tsunami and had been provided the tools and materials to make shoes through IOM. At the time of the visit there were several pairs of shoes on the floor of the beneficiary's house, which was also doubling as his workshop, waiting to go to market.

Christian Childrens Fund (CCF) - Matara - Psychological and Social and Protection Support

119. USAID/OFDA provided \$798,243 to CCF for psychological and social support through child-friendly spaces where games and activities are designed to help tsunami-affected children with emotional recovery. On June 14, the USAID team visited a transitional shelter camp where CCF is reducing child vulnerability and promoting the recovery and functioning of children, youth, parents and communities through community based psychological and social and protection support. In the camp built and run by IOM, CCF has set up a camp care committee. The camp care committees are made up of camp residents, with all committees being 50 percent men and 50 percent women. These committees speak on behalf of all camp residents.

120. The USAID team was able to participate in one of the committee meetings during which camp residents raised concerns, made suggestions and provided feedback on services being provided to them. Concerns were raised on camp security, and transportation for kids to get to and from school - residents asked that transportation be provided for their children instead of them having to take public transportation. Parents felt the distance their children had to travel to school was too far. Some residents asked they be given gas cooking stoves instead of the kerosene stoves they currently have. Residents complained that the kerosene stoves made the camp smell and were not as easy to use as the gas stoves. Residents also inquired about bikes that had been promised to them, but that had still not been delivered.

Matara District - GOAL - Transitional Shelter and Livelihoods Restoration

121. USAID/OFDA provided \$1,280,423 million to GOAL for the construction of transitional houses, repair of homes, and construction of latrines in Hambantota, Ampara, and Matara Districts. On June 14, the USAID team met with several GOAL representatives in Matara District to discuss GOAL's USAID/OFDA-funded transitional shelter program and livelihoods restoration program. The GOAL representative stated that the organization initially did not intend to build transitional shelters in Matara District as the area was adequately covered by other NGOs; however, many NGOs were unable to fulfill their previous commitments, and GOAL started building shelters in Matara District in March. As of the USAID visit GOAL had completed a total of 134 transitional shelters in Matara, but plans to complete approximately 250 shelters total in Matara District.

122. The USAID team visited a site where GOAL had provided transitional shelters on beneficiaries own land. Some residents constructed the shelters on the foundation of their old houses, while others constructed them next to the old foundation depending on their reconstruction plans. This situation, in which residents are able to rebuild on their own land, is an ideal situation for transitional shelter. Because beneficiaries are already on their own land, they can immediately begin the process of transforming and making investments in their shelter, integrating the transitional shelter into their permanent structure. GOAL noted that the allocation of land for transitional shelters is a significant problem, and the organization has encountered many problems obtaining land from the Government of Sri Lanka (GOSL).

123. In March, when GOAL began constructing the structures, housing standards required a total cost of \$300 per shelter but that standard has since increased to \$400 a shelter. As a result, GOAL is now retrofitting the shelters with separate kitchens. The GOAL representative reported that since USD 400 is now the limit for the cost of shelters, after all transitional shelters have been constructed, as a separate project (not with USAID/OFDA funding) GOAL will revisit previously constructed transitional shelters and install kitchens and electrical wiring.

124. In addition to transitional shelter GOAL is implementing a livelihoods restoration project in Matara. The USAID team observed several paddy fields in Matara that GOAL, through their cash for work program, had restored. Through this initiative GOAL cleared acres of fields destroyed by the tsunami and created productive paddy fields. GOAL brought

SIPDIS

together community members, most of who own a piece of the field, to clear the land, prepare the soil and sow the field. In a few months time the fields will be harvested and the rice kept for household consumption or sold for profit. GOAL also created an irrigation system throughout the field to help with proper drainage, and cleaned out the existing drainage system of standing debris in order to reduce the risk of water borne diseases. The GOAL representative noted that one of the unintended benefits of this initiative is the reduction in mosquito breeding and dengue fever in the area. The USAID team was impressed with the work GOAL had done and was happy with the sustainability factor of the project.

LUNSTEAD